

CHAPTER NO. 859

HOUSE BILL NO. 2096

By Representatives Miller, Pleasant, Haley, Sargent, Hargett, Newton, Mike Walker, Wood, Beavers

Substituted for: Senate Bill No. 2156

By Senator Harper

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 18 , Part 15, relative to consumer protection.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 18, Part 15, is amended by adding the following as a new section to be appropriately designated:

Section 47-18-15____.

(a) Credit card companies may offer services charged to a credit card to a cardholder by telephone solicitation and such cardholder may elect to authorize or refuse such services.

(b) If the cardholder does not authorize such services, the cardholder shall notify the credit card company of any unauthorized charges that appear on such cardholder's credit card statement within three (3) months of initial billing for such services.

(c) If the cardholder notifies the credit card company during the three (3) month period that such consumer did not authorize the services and the credit card company cannot provide proof of authorization by such consumer, the credit card company shall refund an amount equal to a minimum of three (3) months charges for services.

(d) If the cardholder notifies the credit card company during the three (3) month period that such consumer did not authorize the services and the credit card company is able to prove authorization by such cardholder, no refund shall be issued by the credit card company.


SECTION 2. This act shall take effect July 1, 1998, the public welfare requiring it.

PASSED: April 20, 1998


JIMMY RAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 1st day of May 1998


DON SUNDQUIST, GOVERNOR